



# House of Representatives

General Assembly

**File No. 217**

*January Session, 2009*

Substitute House Bill No. 6296

*House of Representatives, March 25, 2009*

The Committee on Government Administration and Elections reported through REP. SPALLONE of the 36th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

## ***AN ACT CONCERNING CERTAIN CONFLICT OF INTEREST PROVISIONS FOR PUBLIC OFFICIALS AND STATE EMPLOYEES.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (c) of section 1-84 of the general statutes is  
2 repealed and the following is substituted in lieu thereof (*Effective*  
3 *October 1, 2009*):

4 (c) No public official or state employee shall wilfully and knowingly  
5 disclose, for financial gain, to any other person, confidential  
6 information acquired by him in the course of and by reason of his  
7 official duties or employment and no public official or state employee  
8 shall use his public office or position or any confidential information  
9 received through his holding such public office or position to obtain  
10 financial gain for himself, his spouse, child, child's spouse, parent,  
11 brother or sister, other employer or a business with which he is  
12 associated.

13 Sec. 2. Subsection (f) of section 1-84 of the general statutes is  
14 repealed and the following is substituted in lieu thereof (*Effective*  
15 *October 1, 2009*):

16 (f) No person shall offer or give to a public official or state employee  
17 or candidate for public office or his spouse, his parent, brother, sister  
18 or child or spouse of such child, other employer or a business with  
19 which he is associated, anything of value, including, but not limited to,  
20 a gift, loan, political contribution, reward or promise of future  
21 employment based on any understanding that the vote, official action  
22 or judgment of the public official, state employee or candidate for  
23 public office would be or had been influenced thereby.

24 Sec. 3. Section 1-85 of the general statutes is repealed and the  
25 following is substituted in lieu thereof (*Effective October 1, 2009*):

26 A public official, including an elected state official, or state  
27 employee has an interest which is in substantial conflict with the  
28 proper discharge of his duties or employment in the public interest  
29 and of his responsibilities as prescribed in the laws of this state, if he  
30 has reason to believe or expect that he, his spouse, a dependent child,  
31 his other employer or a business with which he is associated will  
32 derive a direct monetary gain or suffer a direct monetary loss, as the  
33 case may be, by reason of his official activity. A public official,  
34 including an elected state official, or state employee does not have an  
35 interest which is in substantial conflict with the proper discharge of his  
36 duties in the public interest and of his responsibilities as prescribed by  
37 the laws of this state, if any benefit or detriment accrues to him, his  
38 spouse, a dependent child, his other employer or a business with  
39 which he, his spouse or such dependent child is associated as a  
40 member of a profession, occupation or group to no greater extent than  
41 any other member of such profession, occupation or group. A public  
42 official, including an elected state official or state employee who has a  
43 substantial conflict may not take official action on the matter.

44 Sec. 4. Section 1-86 of the general statutes is repealed and the  
45 following is substituted in lieu thereof (*Effective October 1, 2009*):

46 (a) Any public official or state employee, other than an elected state  
47 official, who, in the discharge of such official's or employee's official  
48 duties, would be required to take an action that would affect a  
49 financial interest of such official or employee, such official's or  
50 employee's spouse, parent, brother, sister, child or the spouse of a  
51 child, other employer or a business with which such official or  
52 employee is associated, other than an interest of a de minimis nature,  
53 an interest that is not distinct from that of a substantial segment of the  
54 general public or an interest in substantial conflict with the  
55 performance of official duties as defined in section 1-85, as amended  
56 by this act, has a potential conflict of interest. Under such  
57 circumstances, such official or employee shall, if such official or  
58 employee is a member of a state regulatory agency, either excuse  
59 himself or herself from the matter or prepare a written statement  
60 signed under penalty of false statement describing the matter  
61 requiring action and the nature of the potential conflict and explaining  
62 why despite the potential conflict, such official or employee is able to  
63 vote and otherwise participate fairly, objectively and in the public  
64 interest. Such public official or state employee shall deliver a copy of  
65 the statement to the Office of State Ethics and enter a copy of the  
66 statement in the journal or minutes of the agency. If such official or  
67 employee is not a member of a state regulatory agency, such official or  
68 employee shall, in the case of either a substantial or potential conflict,  
69 prepare a written statement signed under penalty of false statement  
70 describing the matter requiring action and the nature of the conflict  
71 and deliver a copy of the statement to such official's or employee's  
72 immediate superior, if any, who shall assign the matter to another  
73 employee, or if such official or employee has no immediate superior,  
74 such official or employee shall take such steps as the Office of State  
75 Ethics shall prescribe or advise.

76 (b) No elected state official shall be affected by subsection (a) of this  
77 section.

78 (c) No person required to register with the Office of State Ethics  
79 under section 1-94 shall accept employment with the General

80 Assembly or with any member of the General Assembly in connection  
81 with legislative action, as defined in section 1-91. No member of the  
82 General Assembly shall be a lobbyist.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2009</i>	1-84(c)
Sec. 2	<i>October 1, 2009</i>	1-84(f)
Sec. 3	<i>October 1, 2009</i>	1-85
Sec. 4	<i>October 1, 2009</i>	1-86

Section 1	<i>October 1, 2009</i>	1-84(c)
Sec. 2	<i>October 1, 2009</i>	1-84(f)
Sec. 3	<i>October 1, 2009</i>	1-85
Sec. 4	<i>October 1, 2009</i>	1-86

***Statement of Legislative Commissioners:***

In section 3, the word "his" was added for purposes of consistency.

***GAE***      *Joint Favorable Subst.-LCO*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

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***OFA Fiscal Note***

***State Impact:*** None

***Municipal Impact:*** None

***Explanation***

The bill, which expands the conflict of interest provisions with respect to the Code of Ethics to include non-state employers who employ state public officials and state employees, has no fiscal impact.

**OLR Bill Analysis****HB 6296*****AN ACT CONCERNING CERTAIN CONFLICT OF INTEREST  
PROVISIONS FOR PUBLIC OFFICIALS AND STATE EMPLOYEES.*****SUMMARY:**

This bill expands the matters that create a conflict of interest under the State Ethics Code by prohibiting public officials and employees subject to the code from taking certain actions that benefit their other employer. Currently, public officials and employees are generally prohibited from taking actions that benefit their spouse, dependent children, sibling, or businesses with which they are associated.

Specifically, the bill prohibits them from (1) using their office, position, or confidential information received because of it to obtain a financial benefit for their other employer or (2) taking official action that would cause their other employer to derive a direct monetary gain or loss greater than any other member of the same profession, occupation, or group. However, the bill, like current law, allows unelected officials and employees to take official action under certain conditions. Unelected officials and employees in a regulatory agency may either recuse themselves or prepare a written statement under penalty of false statement for the agency journal or minutes and Office of State Ethics (OSE) that describes the matter requiring action, the potential conflict, and why they are able to vote despite it. Other unelected officials and employees must prepare a written statement under penalty of false statement that describes the matter requiring action and the potential conflict and deliver a copy to their immediate supervisor or OSE if they do not have an immediate supervisor.

The bill also prohibits anyone from offering or giving the employer of a public official, state employee, or candidate for public office anything of value on the understanding that the official's, employee's,

or candidate's vote, official action, or judgment would be or had been influenced thereby.

EFFECTIVE DATE: October 1, 2009

## **BACKGROUND**

### ***Official Action***

"Official action" is generally understood to mean voting, speaking, or otherwise commenting on a matter. Ethics regulations provide that (1) public officials and state employees can take official action on any tax issue or benefit entitlement that "may apply different tax rates or entitlement qualifications to different groups or income levels" and (2) legislators with a substantial conflict regarding a specific bonding or appropriations issue are not precluded from taking official action when the overall bonding package or budget comes before their committee or the General Assembly for consideration (State Agency Regulations § 1-81-28 (f) and (g)).

## **COMMITTEE ACTION**

Government Administration and Elections Committee

Joint Favorable

Yea    15    Nay   0    (03/06/2009)